IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

MONDAY, THE TWENTY FIFTH DAY OF APRIL
TWO THOUSAND AND FIVE

PRESENT

THE HON'BLE MR JUSTICE C.Y.SOMAYAJULU

-

WRIT PETITION NO : 3508 of 2001

Between:

M/s. Niraj Petrochemicals Limited,

Rep. by its Managing Director

Sri. G.Siva Prasad Reddy, a Company

incorporated under the Companies Act

having its Regd. Office at 7-1-78/2/A,

2nd Floor, Dharmakzfran Road,
Ameerpet, Hyderabad.

..... PETITIONER

AND

1. Appellate Authority for Industrial

and Financial Reconstruction,

New Delhi, rep. by its Under Secretary (Legal).

2. Board for Industrial and Financial

Reconstruction, rep. by its Registrar.

3. I.D.B.I., rep. by its Chairman-cum-

Managing Director, IDBI Tower,

Cuffee Parade, Mumbai.

4. A.P. Industrial Development Corporation Ltd.,

Hyderabad rep. by its Vice-Chairman

and Managing Director

R4 is impleaded as per court order

dt. 25-11-2004 in WPMP 9369 of 2004.

...RESPONDENTS

Petition under Article 226 of the constitution of India praying that in the circumstances stated in the affidavit filed herein the High Court may be pleased to issue an appropriate Writ, order or direction, more particularly one in the nature of 'Writ of Mandamus' declaring the action of the 2nd Respondent in passing the orders dated 11-7-2000 in Case No.6/1997 and the action of the first respondent in confirming the order of the 2nd Respondent by orders dated 4-1-2001 in Case No.369/2000 as arbitrary, illegal and violative of Articles 14 and 21 of the Constitution of India and consequently set aside the orders passed by the 2nd respondent in Case No.6/1997 on 11-7-2000 as confirmed by the first respondent by his orders dated 4-1-2001 in Case No.369/2000.

Counsel for the Petitioner: MR.A.NARASIMHA REDDY

Counsel for the Respondent Nos.1 & 2: MR.A.RAJASHEKAR REDDY (ASST.SOLICITOR GEN.)

Counsel for the Respondent No.3: L.VENKATESWARA RAO

Counsel for the Respondent No.4: MR.N.SUBBA REDDY

The Court made the following:

ORDER:

The petitioner is a sick industrial company. It has two plants: chemical plant at Nalgonda District, possession of which was taken over by APIDC in 1994; and petrochemical unit at Visakhapatnam District closed since 1996. The company's reference was registered by BIFR in 1997. IDBI (OA) considered several proposals submitted by the company/promoters at joint meetings of the secured creditors as well as by BIFR, but they did not yield any positive results. Consequently, the BIFR issued a show cause notice on 03.5.2000 for winding up and after hearing the petitioner, confirmed their prima facie opinion for winding up of the company by its

order dated 11.7.2000. Questioning the said order, the petitioner preferred an appeal before the Appellate Authority for Industrial and Financial Reconstruction, New Delhi, which confirmed the order of BIFR by the impugned order.

2. In the circumstances mentioned in the order under appeal, I find no grounds to interfere with the said order of the BIFR or impugned order.

3. Hence, the writ petition is dismissed. No costs.

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C.SOMAYAJULU,J.

Date: 25th April 2005.

BSB

ASSISTANT REGISTRAR

// TRUE COPY //

SECTION OFFICER

To

1. The Under Secretary (Legal),

Appellate Authority for Industrial

and Financial Reconstruction,

New Delhi.

2. The Registrar, Board for Industrial and Financial

Reconstruction.

3. The Chairman-cum-

Managing Director, I.D.B.I., IDBI Tower,

Cuffee Parade, Mumbai.

4. The Vice-Chairman and Managing Director,

A.P. Industrial Development Corporation Ltd.,

Hyderabad.

5. Two CD copies

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